Sl. No.	Name of State/ UT's	2002-03 Amount Released	2003-04 Amount Released	2004-05 Amount Released
13	Karnataka	4,18,250	38,70,696	40,95,909
14	Kerala	14,26,911	74,63,947	44,31,514/-
15	Madhya Pradesh	59,40,600	66,23,241	69,73,483
16	Maharashtra	10,94,381	23,64,716	33,04,386/-
17	Manipur	6,46,705	20,01,220	17,73,514/-
18	Meghalaya	3,56,200	4,57,870	-
19	Mizoram	-	15,82,250	16,58,500/-
20	Nagaland	21,23,500	30,11,325	12,03,500/-
21	Orissa	48,81,261	79,13,837	76,78,523/-
22	Pondichery	-	-	16,905/-
23	Punjab	15,80,000	41,61,579	15,12,250/-
24	Rajasthan	28,52,109	64,69,404	88,01,206/-
25	Sikkim	2,75,000	-	-
26	Tamil Nadu	9,45,691	33,44,689	31,14,809/-
27	Tripura	16,16,477	34,97,284	49,08,529/-
28	Uttar Pradesh	95,71,750	1,64,25,535	2,61,06,197/-
29	Uttaranchal	17,33,000	59,78,205	21,13,500/-
30	West Bengal	51,62,115	78,14,680	1,66,41,449/-
	TOTAL:	6,51,25,872/-	14,09,66,238/-	18,73,31,230/-

Decline in textile exports

†333. SHRI MOTILAL VORA:
SHRIMATI PREMA CARIAPPA:

Will the Minister of TEXTILES be pleased to state:

(a) the decline in the export of textiles from India and percentage increase in the export of textiles from China after the end of 'quota raj' since January 2005;

(b) the reasons therefor; and

(c) the steps being taken by Government to ensure that textile export industry could sustain itself in the competitive market and by when results thereof are likely to be achieved?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) According to the provisions DGCI&S data for January-March 2005, the exports of textiles and clothing (including handicrafts, jute and coir) had

†Original notice of the question was received in Hindi.

amounted to Rs. 14,857 crores during the period January-March, 2005 as compared to the exports of Rs. 19,178 crores during the corresponding period of 2004, showing a decline of 22.5%. However, as per the latest available DGCI&S provisional data, there has been a positive growth of 13.7% in textile exports during the month of Apirl, 2005 compared to April, 2004.

European Union (EU) and United States (US) account for more than 60% of India's textile exports. The trade data of EU/US authorities show increased textile imports from India and China in the post quota period. According to the US Trade Data, the US textiles and clothing imports from China have increased by 60.02% and from India by 29.49% during the period January-May, 2005 in comparison to the corresponding period of previous year. According to EU Trade Data, China has recorded a growth of 46.3% and India 12.2% in the EU-15 imports of textiles and clothing items, during the period January-March, 2005 in comparison to the corresponding period of previous year;

(b) The main reasons attributed to the decline in textile exports during January-March '05 are as follows:

(i) There has been a downward pressure on prices, consequent upon dismantling of quota regime.

(ii) China has been able to withstand the downward pressure on prices as it has large production capacities with economies of scale.

(iii) The reduction in DEPB rates in September, 2004 had the effect of squeezing margins of Indian exporters. The fall in exports has been more pronounced in cotton textiles where the cut in DEPB rates were the deepest.

(c) Government has been taking a number of steps from time to time to strengthen Indian textile industry for meeting the growing global competition. Some of the important initiatives taken are:

(i) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1-4-1999 to facilitate the modernisation and upgradation of the sector.

(ii) To improve the productivity and quality of cotton, Government has launched Technology Mission on Cotton (TMC). The mission

comprises four mini-missions, which are being jointly implemented by the Ministry of Agriculture and Ministry of Textiles. One of the important ingredients of the Mission is to improve cotton processing facilities by upgrading/modernizing the existing ginning and pressing facilities and setting up of new market yards/improvement of existing market yards.

(iii) The Government has launched a Centrally Sponsored Scheme titled "Apparel Park for Export Scheme" for imparting focused thrust for setting up of apparel manufacturing units of international standards at potential growth centres to give fillip to exports.

(iv) For upgrading infrastructure facilities at important textile centres, a scheme titled 'Textile Centre Infrastructure Development Scheme" (TCIDS) has been launched.

(v) The fiscal duty structure has been generally rationalised to achieve growth and maximum value addition within the country. Except for mandatory excise duty on man-made filament yarns and man-made staple fibres, the whole value addition chain has been given excise exemption option.

(vi) The imports of specified textiles and garment machinery items has been allowed at concessional rate of customs duty to encourage investments and to make our textile products competitive in the global market. The cost of machinery has also been reduced through fiscal policy measures.

(vii) Duty-free imports of 21 items of trimmings and embellishment items are allowed to the garment exporters, upto 3% of their actual export performance during the previous year.

(viii) National Institute for Fashion Technology (NIFT), its seven branches and apparel Training & Design Centres (ATDCs) are running various courses/programmes to meet skilled manpower requirements of textile industry especially apparel in the field of design, merchandising and marketing.

(ix) Facilities by way of eco-testing laboratories have been created to enable exporters to get the garments/textiles pre-tested for conforming to the requirements of importing countries.

(x) 100% Foreign Direct Investment is allowed in the textile sector under the automatic route.

(xi) The Government has de-reserved the readymade garments, hosiery and knitwear from the SSI sector.

The above initiatives have helped the textile export industry in sustaining itself in the global market.

12.00 Noon

PROCLAMATION UNDER ARTICLE 356 OF THE CONSTITUTION

THE MINISTER OF HOME AFFAIRS (SHRI SHIVRAJ V. PATIL): Sir, I lay on the Table a copy (in English and Hindi) of the Proclamation [G.S.R. No. 355(E)] issued by the President under clause (2) of article 356 of the Constitution on the 7th June, 2005, revoking the Proclamation issued by him on the 4th March, 2005, in relation to the State of Goa, under clause (3) of the said article.

[Placed in Library. *See* No. L.T. 2337/05]

PAPERS LAID ON THE TABLE

Part Report of the Phukan Commission and Accompanying Note thereon

THE MINISTER OF DEFENCE (SHRI PRANAB MUKHERJEE): Sir, I lay on the Table a copy (in Hindi) of the part Report of the Phukan Commission and Accompanying Note on Justice S.N. Phukan Commission.

[Placed in Library. *See* No. L.T. 2352/05]

Memorandum of Understanding (2005-06) between the Government of India and the Power Grid Corporation of India Limited

THE MINISTER OF POWER (SHRI P.M. SAYEED): Sir, I lay on the Table a copy (in English and Hindi) of the Memorandum of Understanding